

2016 Regular Session

HOUSE BILL NO. 696

BY REPRESENTATIVES LEGER, BAGNERIS, BOUIE, CHAD BROWN, GUINN,
LANCE HARRIS, HUNTER, IVEY, JACKSON, MARCELLE, GREGORY
MILLER, JAY MORRIS, STOKES, AND THIBAUT

1 AN ACT

2 To enact Subpart P-4 of Part II-A of Chapter 1 of Subtitle I of Title 39 of the Louisiana
3 Revised Statutes of 1950, to be comprised of R.S. 39:100.111 and 100.112, and
4 Subpart P-5 of Part II-A of Chapter I of Subtitle I of Title 39 of the Louisiana
5 Revised Statutes of 1950, to be comprised of R.S. 39:100.115, relative to dedications
6 of revenues; to provide for the dedication of certain revenues; to create the Revenue
7 Stabilization Trust Fund; to provide for deposits into the funds; to provide for
8 investments of the fund; to provide for uses of the fund; to provide for an effective
9 date; and to provide for related matters.

10 Be it enacted by the Legislature of Louisiana:

11 Section 1. Subpart P-4 of Part II-A of Chapter 1 of Subtitle I of Title 39 of the
12 Louisiana Revised Statutes of 1950, comprised of R.S. 39:100.111 and 100.112, and Subpart
13 P-5 of Part II-A of Chapter I of Subtitle I of Title 39 of the Louisiana Revised Statutes of
14 1950, to be comprised of R.S. 39:100.115, are hereby enacted to read as follows:

15 SUBPART P-4. RESTRICT, RESTORE, REBUILD ACT

16 §100.111. This Subpart shall be known as the "Restrict, Restore, Rebuild Act".

17 §100.112. Revenue Stabilization Trust Fund

18 A. There is hereby established in the state treasury a special trust fund, the
19 Revenue Stabilization Trust Fund, hereinafter referred to as the "fund".

1 B. After allocation of money to the Bond Redemption and Security Fund as
2 provided in Article VII, Section 9(B) of the Constitution of Louisiana, the treasurer
3 shall deposit in and credit to the fund the revenues as provided for in Subsections C
4 and D of this Section.

5 C. The treasurer shall deposit into the fund the amount of mineral revenues
6 as provided in R.S. 39:100.115.

7 D. The treasurer shall deposit into the fund the amount of revenues in excess
8 of six hundred million dollars received each fiscal year from corporate franchise and
9 income taxes as recognized by the Revenue Estimating Conference.

10 E.(1) Except as provided for in Subsection F of this Section, monies
11 deposited into the Revenue Stabilization Trust Fund shall be permanently credited
12 to the trust fund and shall be invested by the treasurer in the same manner as
13 investments of the Millennium Trust, as provided in R.S. 39:98.2.

14 (2) The treasurer shall deposit all interest or other income from investment
15 on the fund into the state general fund.

16 F.(1) Except as provided in Paragraphs (2) and (3) of this Subsection, no
17 appropriations shall be made from the Revenue Stabilization Trust Fund.

18 (2)(a) In any fiscal year in which the balance of the fund at the beginning of
19 the year is in excess of five billion dollars, hereinafter referred to as the minimum
20 fund balance, the legislature may appropriate an amount not to exceed ten percent
21 of the fund balance, hereinafter referred to as the allowable percentage, for the
22 following:

23 (i) Capital outlay projects in the comprehensive state capital budget.

24 (ii) Transportation infrastructure.

25 (b) The minimum fund balance or the allowable percentage may be changed
26 by a law enacted by two-thirds of the elected members of each house of the
27 legislature.

28 (3) In order to ensure the money in the fund is available for appropriation in
29 an emergency, the legislature may authorize an appropriation from the fund at any
30 time for any purpose pursuant to a concurrent resolution adopted by a favorable vote

1 of two-thirds of the elected members of each house of the legislature. If the
2 legislature is not in session, the two-thirds consent requirement shall be obtained as
3 provided in R.S. 39:87.

4 SUBPART P-5. DEDICATION OF MINERAL REVENUES

5 §100.115. Dedication of Mineral Revenues

6 A. All mineral revenues as defined in Subsection D of this Section received
7 in each fiscal year by the state as a result of the production of or exploration for
8 minerals, hereinafter referred to as mineral revenues, shall be allocated as provided
9 in this Section after the following allocations and deposits of mineral revenues have
10 been made:

11 (1) To the Bond Security and Redemption Fund as provided by Article VII,
12 Section 9(B) of the Constitution of Louisiana.

13 (2) To the political subdivisions of the state as provided in Article VII,
14 Sections 4(D) and (E) of the Constitution of Louisiana.

15 (3) To the Louisiana Wildlife and Fisheries Conservation Fund as provided
16 by the requirements of Article VII, Section 10-A of the Constitution of Louisiana and
17 R.S. 47:324, R.S. 56:799, and 799.3.

18 (4) To the Louisiana Wildlife and Fisheries Conservation Fund and the Oil
19 and Gas Regulatory Fund as provided in R.S. 30:136.1(D).

20 (5) To the Rockefeller Wildlife Refuge and Game Preserve Fund as provided
21 in R.S. 56:797.

22 (6) To the Marsh Island Operating Fund and the Russell Sage or Marsh
23 Island Refuge Fund as provided in R.S. 56:798.

24 (7) To the MC Davis Conservation Fund as provided in R.S. 56:799.

25 (8) To the White Lake Property Fund as provided in R.S. 56:799.3.

26 (9) To the Louisiana Education Quality Trust Fund and Louisiana Quality
27 Education Support Fund as provided in Article VII, Section 10.1 of the Constitution
28 of Louisiana.

29 (10) To the Coastal Protection and Restoration Fund as provided in Article
30 VII, Section 10.2 of the Constitution of Louisiana and R.S. 49:214.5.4.

1 (11) To the Mineral Revenue Audit and Settlement Fund as provided in
 2 Article VII, Section 10.5 of the Constitution of Louisiana and R.S. 39:97.

3 (12) To the Budget Stabilization Fund as provided in Article VII, Section
 4 10.3 of the Constitution of Louisiana and R.S. 39:94.

5 (13) An amount equal to the state general fund deposited into the
 6 Transportation Trust Fund and the Louisiana State Transportation Infrastructure
 7 Fund as provided in R.S. 48:77.

8 B. After the allocations and deposits provided in Subsection A of this
 9 Section, the mineral revenues received in each year in excess of six hundred sixty
 10 million dollars and less than nine hundred fifty million dollars shall be allocated as
 11 follows:

12 (1) Thirty percent shall be appropriated to the Louisiana State Employees'
 13 Retirement System and the Teachers' Retirement System of Louisiana for application
 14 to the balance of the unfunded accrued liability of such systems existing as of June
 15 30, 1988, in proportion to the balance of such unfunded accrued liability of each such
 16 system, until such unfunded accrued liability has been eliminated. Any such
 17 payments to the public retirement systems shall not be used, directly or indirectly,
 18 to fund cost-of-living increases for such systems.

19 (2) The remainder shall be deposited into the Revenue Stabilization Trust
 20 Fund.

21 C. Mineral revenues in excess of the base which would otherwise be
 22 deposited into the Budget Stabilization Fund under Paragraph (A)(2) of R.S. 39:94,
 23 but are prohibited from being deposited into the fund under Paragraph (C)(4) of R.S.
 24 39:94, shall be distributed as follows:

25 (1) Thirty percent shall be appropriated to the Louisiana State Employees'
 26 Retirement System and the Teachers' Retirement System of Louisiana for application
 27 to the balance of the unfunded accrued liability of such systems existing as of June
 28 30, 1988, in proportion to the balance of such unfunded accrued liability of each such
 29 system, until such unfunded accrued liability has been eliminated. Any such

1 payments to the public retirement systems shall not be used, directly or indirectly,
2 to fund cost-of-living increases for such systems.

3 (2) The remainder shall be deposited into the Revenue Stabilization Trust
4 Fund.

5 D. For purposes of this Section, "mineral revenues" shall include severance
6 taxes, royalty payments, bonus payments, or rentals, with the following exceptions:

7 (1) Revenues designated as nonrecurring, pursuant to Article VII, Section
8 10(B) of the Constitution of Louisiana.

9 (2) Revenues received by the state as a result of grants or donations when the
10 terms or conditions thereof require otherwise.

11 (3) Revenues derived from any tax on the transportation of minerals.

12 Section 2. This Act shall take effect and become operative if and when the proposed
13 amendment of Article VII of the Constitution of Louisiana contained in the Act which
14 originated as House Bill No. 603 of this 2016 Regular Session of the Legislature is adopted
15 at a statewide election and becomes effective.

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____